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RECEIVED INTER

EXEC. SECRETARY OFF.

June 4, 1999

JUN 0 4 1999

David Waddell, Executive Secretary Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505

TN REGULATORY AUTHORITY

Re:

Application of DSLnet Communications, LLC for a Certificate of Convenience and Necessity to Provide Facilities Based and Resold, Local Exchange and Interexchange Telecommunications Services Docket No. 98-00092

99-000

Dear David:

Please find attached one original and thirteen copies of a proposed Order Granting the CLEC application of DSLnet Communications, LLC. This application was approved by the Tennessee Regulatory Authority at its May 18, 1999, conference.

Very truly yours,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

ву:

Henry Walker

HW/nl Enclosure

BEFORE THE TENNESSEE REGULATORY AUTROPETEIVED EXEC. SECRETARY OFF.

NASHVILLE, TENNESSEE

JUN 0 4 1999

IN RE: Application of DSLnet Communications, LLC) for a Certificate of Public Convenience and Necessity) as a Competing Telecommunications Services Provider) TN REGULATORY AUTHORITY Docket No. 98-00569

ORDER GRANTING CERTIFICATE OF CONVENIENCE AND NECESSITY

On May 18, 1999, this matter came before the Tennessee Regulatory Authority ("Authority"), upon the application of DSLnet Communications, LLC ("DSLnet") for a Certificate of Convenience and Necessity as a Competing Telecommunications Service Provider within the State of Tennessee (the "application"). The application was made pursuant to Tenn. Code Ann. § 65-4-201 et sea.

LEGAL STANDARD FOR GRANTING CCN

DSLnet's application was considered in light of the criteria for granting a certificate of public convenience and necessity ("CCN") as set forth in applicable statutes. Tenn. Code Ann. § 65-4-201 provides, in part:

No public utility shall establish or begin the construction of, or (a) operate any line, plant, or system, or route in or into a municipality or other territory already receiving a like service from another public utility, or establish service therein, without first having obtained from the Authority, after written application and hearing, a certificate that the present or future public convenience and necessity require or will require such construction, establishment, and operation, and no person or corporation not at the time a public utility shall commence the construction of any plant, line, system or route to be operated as a public utility, or the operations of which would constitute the same, or the owner or operator thereof, a public utility as

defined by law, without having first obtained, in like manner, a similar certificate . . .

- (b) After notice to the incumbent local exchange telephone company and other interested parties and following a hearing, the authority shall grant a certificate of convenience and necessity to a competing telecommunications service provider if after examining the evidence presented, the authority finds:
 - (1) The applicant has demonstrated that it will adhere to all applicable commission policies, rules and orders; and
 - (2) The applicant possesses sufficient managerial, financial, and technical abilities to provide the applied for services.
 - An Authority order, including appropriate findings of fact and conclusions of law, denying or approving, with or without modification, an application for certification of a competing telecommunications service provider shall be entered no more than sixty (60) days from the filing of the application.
- (c) Subsection (c) is not applicable to areas served by an incumbent local exchange telephone company with fewer than 100,000 total access lines in this state unless such company voluntarily enters into an interconnection agreement with a competing telecommunications service provider or unless such incumbent local exchange telephone company applies for a certificate to provide telecommunications services in an area outside its service area existing on June 6, 1995.

In addition, pursuant to Tenn. Code Ann. § 65-5-212, competing telecommunications providers are required to file with the Authority: (1) a plan containing the provider's plan for purchasing goods and services from small and minority-owned telecommunications businesses; and (2) information on programs that might provide technical assistance to such businesses.

INTERVENORS

Public notice of the hearing in this matter was made by the Authority's Executive Secretary, pursuant to Tenn. Code Ann. §65-4-204. No party intervened.

DSLnet COMMUNICATIONS HEARING

DSLnet's application was uncontested. At the hearing held on May 18, 1999, DSLnet was represented by Henry Walker of Boult, Cummings, Conners & Berry, PLC, 414 Union Street, Suite 1600, Post Office Box 198062, Nashville, Tennessee 37219. In addition, Ms. Wendy Bluemling, Director of Regulatory Affairs, presented testimony and was subject to examination by the Authority's Directors. Upon DSLnet's conclusion of the proof in its case, the Authority granted DSLnet's application based upon the following findings of fact and conclusions of law:

I. APPLICANT'S QUALIFICATIONS

- 1. DSL Net is a limited liability company organized under the laws of the State of Tennessee on December August 12, 1998, and received its Certificate of Authority to transact business in the State of Tennessee on December 9, 1998.
- 2. The complete street address of DSLnet Communications, LLC is 545 Long Wharf Drive, New Haven, Connecticut 06511. The phone number is (203) 782-7440 and fax number is (203) 624-3612. DSLnet Communications, LLC's counsel is Henry Walker, 414 Union Street, Suite 1600, Post Office Box 198062, Nashville, Tennessee 37219.
- 3. The application and supporting documentary information existing in the record indicate that DSLnet has the requisite technical and managerial qualifications necessary to provide local exchange and interexchange telecommunications service in Tennessee. DSLnet's management team has considerable experience in marketing, network operations, engineering, financial analysis/accounting, sales, regulatory and other relevant areas.

0563657.01 100909-001 06/04/1999 4. DSLnet has the necessary capital and financial qualifications to provide the services it proposes to offer.

5. DSLnet has represented that it will adhere to all applicable policies, rules and orders of the Authority.

II. PROPOSED SERVICES

1. DSLnet initially intends to provide data transmission services only but will later provide a full range of local exchange and interexchange services. DSLnet will deploy xDSL technology to provide high-speed, high quality data connections. DSLnet proposes to provide service over its own facilities, through the use of unbundled network elements purchased from other certificated carriers and through the resale of the services of other carriers.

2. Except as may be allowed by state or federal law, DSLnet will not offer service in areas currently being served by an incumbent local telephone company with fewer than 100,000 total access lines, as described within Tenn. Code Ann. § 65-4-201(d).

III. PERMITTING COMPETITION TO SERVE THE PUBLIC CONVENIENCE AND NECESSITY

1. Upon a review of the application and the record in this matter, the Authority finds that approval of DSLnet's application would inure to the benefit of the present and future public convenience by promoting competition in the telecommunications services markets in the State and by fostering the development of an efficient technologically advanced statewide system of telecommunications services.

IV. SMALL AND MINORITY-OWNED TELECOMMUNICATIONS BUSINESS PARTICIPATION PLAN & BUSINESS ASSISTANCE PROGRAM

1. DSLnet has filed a small and minority-owned telecommunications business

participation plan pursuant to Tenn. Code Ann. § 65-5-212 and the Authority's

rules.

2. DSLnet has acknowledged its obligation to contribute to the funding of the small

and minority-owned telecommunications business assistance program, as set forth

in Tenn. Code Ann. § 65-5-213.

IT IS THEREFORE ORDERED:

1. DSLnet Communications, LLC 's application is approved.

2. Any party aggrieved with the Authority's decision in this matter may file a Petition

for Reconsideration with the Authority within ten (10) days from and after the date of this Order;

and

3. Any party aggrieved with the Authority's decision in this matter has the right of

judicial review by filing a Petition for Review in the Tennessee Court of Appeals, Middle Section,

within sixty (60) days from and after the date of this Order.

	Chairman	
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	Director	
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Attest:	Director	
Attost.		
Executive Secretary		
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